

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7041

BILL NUMBER: HB 1256

NOTE PREPARED: Jan 8, 2012

BILL AMENDED:

SUBJECT: Income tax exemptions.

FIRST AUTHOR: Rep. VanDenburgh

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Provides that income received by an individual who is at least 65 years of age (or by the spouse of such a taxpayer in the case of a joint return) is exempt from state income tax if the individual's household federal adjusted gross income for the taxable year is not more than \$50,000. Provides that a taxpayer who claims this exemption for a taxable year is not entitled to claim any other deduction, exemption, or credit from the adjusted gross income tax for that taxable year. Provides that an individual who is at least 65 years of age and does not claim such an exemption is entitled to a \$500 state income tax exemption (rather than a \$1,000 exemption under current law). Deletes the current \$500 income tax exemption for elderly taxpayers with an adjusted gross income of less than \$40,000. Provides a \$1,000 state income tax exemption for taxpayers who are totally deaf. Makes technical corrections.

Effective Date: January 1, 2013.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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